

# THE Pacific Commercial Advertiser

A MORNING PAPER.

WALTER G. SMITH - - - - - EDITOR  
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## DEPRESSION A REALITY.

While a disastrous financial panic has seemingly been averted, it would appear that a general depression in business can not be stayed. Henry Clews, the New York banker, in his latest weekly circular received here, dated October 19, maintains that every indication points to such an eventuality. He says that Wall street, being the financial nerve center of the country, is the first to feel a setback. From thence the wave of depression would spread to every section of the country with more or less severity. Improvements, enlargements and new enterprises of all sorts had already been checked by the developments at the chief financial centers, and Mr. Clews reviews conditions at present affecting copper, iron and cotton, going on to say that the greatest depression will probably be in the industrial districts, the agricultural sections being benefited by the prosperity of the farmers. Another evidence of the fast oncoming depression which Mr. Clews notes is a financial reaction in the real estate market. There had been wild speculation in this business in districts connected with the great cities, which now has been brought to a sudden stop by limitations of the money market. In September contracts for new buildings in New York fell off \$7,000,000, or 40 per cent, compared with the same month last year. Clearings at the leading cities a week before the date of the circular quoted here declined nearly 14 per cent. Although the bulk of the shrinkage occurred in New York, it was observable that a number of interior points reported declines in clearing-house returns. Nevertheless, the West was still optimistic, owing chiefly to the fact that farmers were well-to-do and getting profitable prices for all their products.

Referring to the financial crisis, which seems happily to be fairly well passed, Mr. Clews says there is no need for any repetition of the financial hysteria that marked the August break in the stock market. As showing the stupendous conditions the large financiers were up against, Mr. Clews may be quoted verbatim as follows:

"Since January first we have had a shrinkage in securities of fully, if not over, \$3,500,000,000. Many good railroad shares have had their values cut in half during that period. The industrials have suffered even more drastic decline, being cut not only into halves, but into thirds and quarters. After such a tremendous shrinkage, it is almost folly to talk of panic. Violent breaks may be possible, but the chances of a genuine panic with all the disaster of derangement which that means are exceedingly remote. Had the developments which have recently taken place occurred on the high level of a year ago, we might, indeed, have had to face a cataclysm. As it is, the stock market has endured one of the greatest declines in history; a decline equivalent to that of a great panic—but in an orderly and well distributed fashion. Losses have been enormous, but they have been admirably met, and considering their extent, the disasters following have been remarkably few."

## DEARER LOAF THREATENED.

Dear bread is looming up. All the signs are that flour will go higher before it becomes lower in price. The Commercial News of San Francisco says that the rapid advance in wheat and flour during the past three months has not had a counterpart since electricity and steam revolutionized the markets of the world so that corners could not be run successfully. Speculators of foresight have, all the same, helped to make acute a situation largely produced by the world's supply and demand. They early perceived in the statistical position of old crop wheat and a general shortage of crops in producing countries a favorable opportunity to operate on the bull side of the market. Their judgment was proved sound when a heavy demand from European importing countries cleaned Chicago out of old stocks. At the same time domestic millers appeared in the middle west as active buyers of all good spring and summer wheat. This was to supply a heavy export demand for flour from the United Kingdom, which enabled Minneapolis millers to sell heavily not only at an advance but at better figures than the home trade would pay. It seems the United Kingdom, while waiting for the Canadian crop, lost her chance for American wheat at the time the Continent was scrambling for it when still cheap. As the Canadian wheat was so damaged by frost as to be rendered below milling grade, the British markets were thrown upon those of the United States with the result that the millers of both countries engaged in a scramble for offerings of American wheat. The Chicago wheat pit has been the bear center and advanced the least of any market at home or abroad. This has been due to the fact that the old elevator combine was, partly or wholly, short of the market and therefore has been fighting the advance all the way from the bottom. It is said that the only hope of relief to the Chicago bears lies in the cessation of export demand, but this prospect was lessened within two weeks past by continuing unfavorable news of drought in India and Australia. At latest advices the only hope left was the Argentine crop, which, with America and Europe both hungrily awaiting it, will quickly be gobbled up. It is said that talk to the effect that the heavy purchasers in the United States had anticipated their future wants is not justified by the condition of the world's stocks a month ago.

Dear flour will mean a general rise in foodstuffs, enhancing the difficulty of subsistence to people of only moderate means and causing distress to the poor. It may be somewhat of a consolatory anticipation to Hawaii at large that sugar is likely to be carried upward with other commodities, yet this would give no relief to people of uncertain or stationary income. Unless a break comes in the world's wheat and flour markets before then, the dearth of bread is liable to be locally increased when the Pacific squadron visits Honolulu on its way to the Asiatic station. Already the loaf has advanced considerably in price here.

Governor Frear purposes well in going after all that may be obtainable from extension of the reclamation service to Hawaii. There is a possibility, however, that the splendid work of the Federal government in that line may come to an abrupt ending before it can reach Hawaii. By last mail news has been received that the government is rushing the work in fear that it may all be stopped through a decision as to the constitutionality of the act. At the recent session of the Irrigation Congress at Sacramento the Hawaiian delegates were asked not to bring up for immediate action at the conference the extension of the act to Hawaii, as the results aimed at were being attempted otherwise and any agitation for the extension of the measure in that way would aggravate the antagonism already existing against it in the East.

Governor Frear makes some variation from the time-honored models of Thanksgiving Day proclamations. Besides recommending the people to hold appropriate devotions, public and private, he makes special mention of the social side of the day, or the exhibition of gratitude through gladness, and finally asks them to exercise an abundance of charity, or the practical evidence of the greatest of Christian virtues, in token of grateful recognition of the blessings of the year that ends with harvest. Thus the features the day has developed, since its institution as a Puritan day of obligation, are fully comprehended in the proclamation.

Many people have inquired of the Advertiser whether the Mutual Telephone Company is not obliged, under its public charter, to install a telephone wherever one is requisitional along its established lines. This paper is not conducting a legal information bureau, therefore must refer the inquirers to the Attorney General. Some time ago, it may be stated, a judicial decision in Chicago held that a telephone company was bound to install a house instrument for an applicant, notwithstanding that the latter had previously had his telephone taken out on account of unpaid arrears of rental for it.

Bishop Libert's offer of a site for the boys' home is a generous one and, if the Sisters are to conduct the institution, the condition that the Government shall never use the place for any other purpose is a reasonable one. In any event, the appropriation for the home should be used while it is available. Therefore an early decision on the question of a site ought to be made.

Muskogee sounds nearly enough like the name of the little minstrel that sings by night in Honolulu to make Governor Frear feel quite at home while attending the Trans-Mississippi Congress.

## Correspondence

### CLEARING-HOUSE CERTIFICATES.

Editor Advertiser: Will you please explain, through the columns of your valuable paper, what is meant by "clearing-house certificates" and the advantage the banking firms gain by their use. Thanking you for your valuable information,

A SUBSCRIBER.

Honolulu, Oct. 31, 1907.

[A large amount of the business of a bank consists in cashing paper drawn on other banks, so that in a city having many banks each becomes indebted in a day's transactions to one or all of the others. As the number and aggregate of these operations are formidable in a large city, the clearing house has been established to handle the settlement of all such accounts. It is really a bank of banks, collecting their accounts against each other and, at least once a week, issuing statements of its transactions. From these each bank knows what it owes to all others and what is owing to it from them. A clearing-house certificate is evidence of the balance due to the particular bank to which it is issued. The clearing house will pay this certificate on demand. A Honolulu bank draws a bill of exchange on a San Francisco bank, against sugar shipments from here, which ordinarily would be paid in legal tender money or, maybe, wholly or in part in a draft on Honolulu against merchandise shipped hither. Under an arrangement just made, however, the San Francisco bank may deposit the exchange, like any other commercial paper, in the clearing house and return a clearing-house certificate for the amount to the Honolulu bank. This arrangement obviates the necessity of sending coin to Honolulu during its scarcity in San Francisco, but ultimately of course the debt will be paid here either in money or exchange. A clearing house in Honolulu has been mentioned as desirable, both for the convenience of the banks and for the furnishing of public information on the volume of local banking business. —Editor P. C. A.]

## MANILA PRIEST TAKES UP JUDGE WILFLEY

Father J. R. Chouza, canon and parish priest of the cathedral of Manila, has written an open letter to Judge L. R. Wilfley, of the United States District Court for China at Shanghai. It criticizes the recent decision in a probate case wherein Judge Wilfley passed reflections on the Catholic clergy in their dealings with the estates of dead persons. Father Chouza quotes history to show that sovereigns have from ancient times, "not having sufficiently educated men to decide these questions," delegated probate jurisdiction to the church. He says the same thing was true of the Church of England and the sovereign power of that country, and, admitting that mistakes had sometimes been made by the clergy in these matters, remarks:

"But isolated cases of human frailty can not constitute a reproach, an anathema against the Ecclesiastical ministers of the Church of England, as in equality of circumstances it would mean as much to affirm that a juridical error of one or more justices of a nation was motive enough to judge of the incapacity of the whole juridical body of that nation."

Father Chouza concludes with this paragraph: "By the means above exposed, you will see, Mr. Wilfley, that there is no reason for inculcating the justice and honor of the ministers of Church of England; and you by your character as judge of a court, can not make your own commented doctrines that are openly opposed to truth and justice. You must go back on your decision. You have great faculties for study and if you exercise them in this case, I am perfectly sure that you will reform your appreciations and as a just man will know now to give very satisfactory justice to the Catholic church, alma mater of charity and justice."

## GOVERNOR'S PLAN OF WORK

(Continued from Page One.)

"The opening of Pearl Harbor by the widening and straightening of the entrance is another of the major proposals I have.

"I have not given the Organic Act questions all the study that I want, but I hope to be able to devote considerable study to them on the voyage to the Coast."

Miss Kreech—Some authorities believe that the practice of singing will keep a person from getting consumption. Mr. Knox—Yes, but most authorities believe in "the greatest good to the greatest number."—Philadelphia Press.

She—They say Tom Swift is going to the bad.  
He—He'll have a short journey.  
Pick-Me-Up.

## OVER-EATING

brings on dyspepsia, biliousness, constipation, liver trouble and other complaints.  
The same with over-drinking.

## SAL HEPATICA

will remedy the trouble in a jiffy. It's a new effervescent saline laxative that is pleasant to take and quick to act.

**HOLLISTER DRUG CO.**  
ESTABLISHED 1879.



CORRECT

## TIME

and correct time-keeping qualities are what most people demand of their watches.

We pay special attention to the time-keeping qualities of the watches we sell.

Our guarantee goes with every watch and satisfaction to the purchaser is assured.

We invite your inspection of our large stock of watches.

**H. F. Wichman & Co.**  
LIMITED  
Leading Jewelers

## WHERE TO EAT

Ours is a popular lunch-room among those who appreciate something better.

Good Things to Eat,  
Lots of Light and Air,  
Clean Table Linen,  
Excellent Service, and  
Pleasant Surroundings.

**Alexander Young Cafe**  
ALEXANDER YOUNG BLDG.

**Y. WO SING & CO.**  
Groceries and Fruits  
1128-1128 Nuuanu St.  
Phone Main 238 P. O. Box 96

Cool Evenings  
and  
Rainy Days

may be expected from now on to March, so you had better take advantage of

OUR SALE OF

## JACKETS

BEGINNING

Monday, Oct. 28th, at 8 O'clock

at which time we will sell Ladies' Stylish, Up-to-date Short Jackets at prices a great deal less than cost.

\$ 4.75 Black Cheviot Jackets.....\$3.00  
6.50 Tan Jackets, loose..... 3.50  
8.50 Tan Jackets, tight..... 4.50  
10.00 Black and Navy Serge Jackets..... 4.50  
12.50 Black and Navy Satin-lined Ladies' Cloth Jackets..... 6.50  
14.00 Navy Satin-lined Jackets..... 8.00

**EHLERS**

## Columbia Batteries Give Best Service

Autoists everywhere attest to the superiority of the Columbia Dry Battery No. 2. If you are not being supplied with this battery by your dealer insist upon getting it. Such leading dealers as the following sell it:

Associated Garage, Ltd.

Schuman Carriage Co., Ltd.

E. O. Hall & Son, Ltd.

**Hawaiian Electric Company, Ltd.**

Phone 390

Office King near Alakea.



A Pelican will swallow anything, but a wise man demands the best.

Don't Be a Pelican

Drink

**PRIMO BEER**

## Poultry That Tastes

like the real thing is what you want for your table. We have the best that is raised. Tender and fat. Well kept and with the most natural flavor. Ours are fattened especially for the market and are not "barn yards."

**The Metropolitan Meat Co., Ltd.**

Telephone 45.

## SHOES THAT PLEASE WOMEN



is the experience of our store with the world-famed E. R. REED & CO.'S women's shoes. The highest degree of style, fit and wear is combined in these shoes, which goes to give them the appearance of higher grade shoes.

Ask to see this No. 362 three-hole tie.

PRICE \$3.50

**MANUFACTURERS' SHOE CO., Ltd.**

1651 FORT STREET

PHONE 282

## J. LANDO

Depot For

BOSS OF THE ROAD OVERALLS  
PORUSKNIT UNDERSHIRTS  
DRESS SUIT CASES

NEW LINE OF SHIRTS, TIES, HATS AND CAPS. SEE DISPLAY

Fort Street

Odd Fellows Building

## PLANT PINEAPPLES!

You can make \$250 per acre from one season's crop!

## BELLAIR

in Kalihi Valley is an ideal place for the growing of Pineapples. The right soil, the right climate. Pineapples grow there now. Let me take you out to show them to you. Three miles from the business center of Honolulu, 1-2 miles from the Pineapple Cannery. Will sell the land at from

**\$250 to \$400 Per Acre**

ON EASY TERMS.

**Chas. S. Desky**

CAMPBELL BLOCK, FORT STREET.